

MINUTES OF SPECIAL MEETING OF KISSIMMEE UTILITY AUTHORITY,
THURSDAY, MAY 13, 1999, 5:00 P.M., BRINSON BOARDROOM,
ADMINISTRATION BUILDING, 1701 WEST CARROLL STREET, KISSIMMEE,
FLORIDA.

Present were Chairman Walter, Director Guthrie, Director Gant, Attorney Brinson, General Manager Welsh and Recording Secretary Fizer. Director Hord, Director Toro and Mayor Attkisson were absent.

A. **MEETING CALLED TO ORDER** at 5:00 P.M. by Chairman Walter.

B. **PLEDGE OF ALLEGIANCE**

The Board and audience recited the Pledge of Allegiance.

C. **AWARD OF CONTRACT TO WESTINGHOUSE FOR EMERGENCY REPAIR AND CAPITAL IMPROVEMENT OF HANSEL GAS TURBINE**

General Manager Welsh noted that a week ago the Hansel combined cycle unit was taken off line automatically due to high vibrations from the unit. He said staff had been attempting to correct the situation and after checking everything they possibly could, it will be necessary to take the machine apart and then reassemble it. Mr. Welsh noted that this is a long involved process that can not be completed by KUA staff. He also said a major overhaul and upgrade on this unit was planned for fall and this process would need to be done then also.

Ben Sharma, director of Power Supply, gave a detailed report on what damage was found in the turbine. Jeff Ling, manager of production, gave a visual presentation of the turbine unit parts that would need replaced and what work would involve the overhaul. Mr. Sharma requested approval for the major overhaul and upgrade, planned for fall, to be completed in conjunction with the repairs necessary to stop the vibration on the unit. He also noted that once the unit is disassembled, the repair figures might increase.

Mr. Sharma noted that since this was a budgeted item. It would have no effect on the 1999 budget or future budgets.

Discussion was held on the age of the unit and the cost associated with the repairs.

ACTION: Motion by Director Gant, seconded by Director Guthrie, to approve the purchase of Options 1, 2, 3, 4, & 5 (as described in report) including the discount from Westinghouse (the Original Equipment Manufacturer) for the repair and upgrade of the Hansel Gas Turbine for the not-to-exceed price of \$1,083,477.

Motion carried 3 - 0

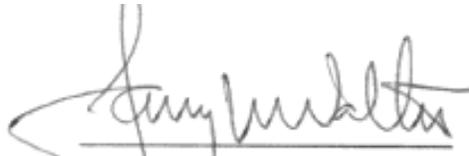
D. **HEAR GENERAL MANAGER, ATTORNEY, DIRECTORS**

General Manager Welsh noted that four board members would be attending the annual conference for Florida Municipal Electric Association in July. He said there would be many beneficial presentations and topics discussions. Mr. Welsh asked if the Board thought the City Commissioners would also benefit from this conference in an effort to help them understand the KUA Board challenges in the future.

It was the consensus of the Board to extend an invitation to the City Commissioners to attend this annual conference.

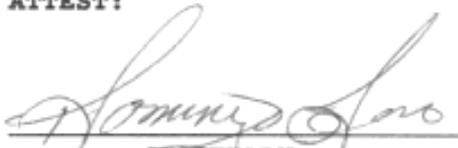
Chairman Walter asked if this would come out of the Board's travel budget and Mr. Welsh said yes.

E. ADJOURNMENT - Meeting was adjourned at 5:34 p.m.



CHAIRMAN

ATTEST:



SECRETARY